



EPOA supports constructive dialogue between EU and ASEAN countries

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The Joint Working Group (JWG) on Palm Oil between the European Union (EU) and relevant ASEAN member countries met for the first time at the beginning of this year. This Joint Working Group is the result of a commitment reached last year to upgrade the EU-ASEAN relations to a Strategic Partnership. The dialogue focused on the importance of addressing sustainable challenges in the vegetable oil sector, with a special focus on palm oil.

As representative of the European palm oil industry, the European Palm Oil Alliance (EPOA) welcomes this dialogue between both regions. We believe this is a crucial step, as cooperation between consuming and producing countries is indispensable for advancing the sustainability agenda in the palm oil supply chain. With the next meeting of the Joint Working Group taking place on April 20th 2021, we would like to highlight the following points:

A level-playing field for all vegetable oils

We welcome the introduction of a broader focus on the challenges faced in the vegetable oil sector in the Joint Working Group. As EPOA, we advocate a level-playing field for all vegetable oils in the ongoing EU discussions for regulatory due diligence. Possible measures developed at EU-level should be non-discriminatory. We believe this is key for creating a consistent framework for all companies, but it will also avoid shifting sustainability issues to other commodities.

A fact-based dialogue on palm oil

Europe's public debate on palm oil has been strongly dominated by emotions. The prevalence of anti-palm oil campaigns is one of the main challenges we are facing today, when driving the uptake of sustainably produced palm oil in Europe. These campaigns have encouraged a binary thinking in which companies, consumers and even governments are faced with only two options: to use or to ban palm oil. As EPOA, we believe it is time to move toward a more balanced and fact-based discussion and focus on how industry, governments and civil society actors can really drive the positive transformation of the palm oil industry.

Evaluation of sustainability with a holistic approach

The production of palm oil is an important source of income for producing countries. In many of these countries, palm oil accounts for an increasing part of

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the gross national product (GNP), making this crop a driven force for economic development. In fact, millions of small-scale farmers make a living from palm oil in Africa, Asia and Latin America. This aspect of the palm oil supply chain should be considered by all JWG partners.

Acknowledgment of the progresses made and challenges ahead

Different voluntary and (national) mandatory sustainability measures have been introduced with success in the palm oil industry over the past years. To take Europe as an example: on a voluntary basis, more than 86% of palm oil imports are covered by the RSPO standard. Moreover, it is key to acknowledge the importance of national mandatory standards like MSPO and ISPO for the transition of the palm oil industry in the producing countries. The different initiatives and measures introduced by companies and governments seem to pay off: deforestation linked to palm oil has been reduced for a fourth straight year in Indonesia. As EPOA, we can proudly say that the palm oil industry is a frontrunner in the development of sustainability within agriculture worldwide. However, we still face challenges to achieve the full transformation of the supply chain. Fully delinking deforestation from the production of palm oil, increasing the uptake of certified material in Europe and worldwide, supporting the sustainable transition of smallholders, improving good governance in producing countries are just a few examples of the issues that require attention and action from the industry, governments and civil society actors.

All in all, the palm oil sector has been taken important steps to advance the sustainability agenda in the supply chain. A multilateral dialogue between palm oil consuming and producing countries is key to maintain and accelerate the progresses achieved over the past years. Only then can a full transformation of the supply chain be achieved. Additionally, this transformation can be stimulated by a smart combination of market driven voluntary standards and national ownership of the sustainability agenda allowing good governance through legislation and mandatory certification/production schemes. As EPOA, we welcome the dialogue within the Joint Working Group on Palm Oil and look forward to the progress of this dialogue between EU countries and relevant ASEAN member countries.

Let us work together for a better future for all.